

Funding for the COPS Program has been reduced dramatically in recent years. In fiscal year 2003 the COPS Program received \$929 million in Federal funding. In fiscal year 2004, that level was reduced to \$756 million, only to drop again in fiscal year 2005 to \$606 million. And now, for fiscal year 2006, the funding level has again been reduced to a mere \$487.3 million, a dramatic decrease just over the last 3 fiscal years. This is unacceptable. Funding for these grant programs has continually dropped even as the needs of law enforcement officers, our first responders, grow.

Funding cuts like the ones to the COPS Program have been mirrored in cuts to Byrne grants. For fiscal year 2006, the administration's budget proposal would have completely eliminated this critical law enforcement program in full. Congress rightly rejected the administration's unjustified attempt to entirely do away with this important program, but unfortunately the funding level provided this year is inadequate. In fiscal year 2003, Byrne and the local law enforcement block grants, which have now been merged into one program, received a total of \$900 million in Federal funding. By fiscal year 2005, that number was reduced to \$634 million. This year, the Byrne program will receive a meager \$416 million in Federal funding. It is irresponsible to habitually take the rug out from under our hard-working law enforcement officers by taking away their access to the funding they need to keep our communities across the country safe.

It is my hope that in the next fiscal year, the administration and Congress will work together to repair the damage done and increase critical funding to these and other programs that assist our State and local law enforcement officers on a daily basis.

THE KENNEDY CENTER HONORS TONY BENNETT

Mr. KENNEDY. Mr. President, I welcome the opportunity to join in commending one of America's greatest artists who will receive a Kennedy Center Honors Award next month. Tony Bennett is renowned and revered by millions because of his extraordinary talent and outstanding musical career which spans a half century, and he will always be a part of America's musical legacy. His performances are part of our national songbook—tunes each of us know by heart and love to hear time and again.

His distinctive voice and inspiring interpretations have set the standard for musical artists across the years. His signature song, "I Left My Heart in San Francisco," was released over 40 years ago, but it is as fresh today as it was in 1962, the year it won three Grammy awards.

His album "MTV Unplugged" captured the hearts of a new generation and was awarded a Grammy for Album

of the Year in 1994. It was also one of the most successful recordings in a career that includes countless other musical awards and achievements.

He has left his heart in communities far beyond San Francisco. Still today, he remains forever young at heart, as one of America's most beloved musical icons who continues to entertain us and enrich all our lives.

It is gratifying to know that his remarkable career will be recognized in the Honors Awards celebration at the Kennedy Center next month as a tribute to his enduring contributions to our national cultural heritage.

Countless lives have been touched by his artistry. This year at the Kennedy Center Honors, the country will have the opportunity to thank him for all that he has done so well for so long.

KENNEDY CENTER SALUTES ROBERT REDFORD

Mr. KENNEDY. Mr. President, each year the Kennedy Center pays tribute to distinguished artists who have made extraordinary contributions to the American cultural experience. The Nation will be delighted to know that this year Robert Redford will receive one of these prestigious awards.

Mr. Redford exemplifies the record of achievement and accomplishment that define the Kennedy Center Honors Awards. With special grace and great talent, he has become a legend in film. His roles as an actor are among the most memorable ever on screen. He can be charming, as he was in Butch Cassidy and the Sundance Kid, The Sting, and Barefoot in the Park. He can be serious, as he was in The Candidate and All the President's Men. And he is always compelling—never more so than in The Great Gatsby and A River Runs Through It.

Mr. Redford is equally accomplished as a director and producer. But whether he stars, directs, or produces—and sometimes all three—a Redford project is always remarkable for its integrity, beauty, and power.

In 2003, he was in Washington to deliver the annual Nancy Hanks Lecture on the role of the arts in public policy. This lecture is a tribute to the memory of Nancy Hanks, who served as the early chair of the National Endowment for the Arts, and Mr. Redford's lecture was especially fitting, because he believes so deeply in the fundamental importance of the arts in our public policy.

His passionate belief in arts education has been a continuing part of his outstanding career. He founded the Sundance Institute as part of his lifelong commitment to expand opportunities for new works and new artists to ensure a vigorous American cultural legacy for future generations.

I commend all that he has accomplished. It is a privilege to join in congratulating him on this well-deserved award from the Kennedy Center. I am sure my brother would be proud of him.

VOTE EXPLANATION

Mr. SHELBY. Mr. President, on roll-call vote No. 347, I was recorded as not voting. It was my intention to vote "yea."

TERRORISM RISK INSURANCE EXTENSION ACT

Mr. JOHNSON. Mr. President, this week the Senate Banking Committee reported out S. 467, the Terrorism Risk Insurance Extension Act of 2005 which will extend for 2 years the terrorism risk insurance program that is due to expire on December 31. I suspect the insurance industry is breathing a collective sigh of relief that this bill has finally passed in the Senate. All Americans concerned about economic growth should also feel some relief.

This bill represents a compromise between the very strong views of the administration and the approach originally set forth in the bill as introduced. I must commend Senators DODD and BENNETT and their staffs for their tireless work on this legislation, as well as Chairman SHELBY and Ranking Member SARBANES. I understand that getting to this point was not without its challenges. Nevertheless, we arrived at a bipartisan compromise.

There are still some who believe that we do not need a terrorism insurance program with a Federal backstop; that the capacity of the industry to provide this insurance has improved, and the program has achieved its goals. Frankly, I am not convinced. Because of the random and unpredictable nature of terrorism, I am not yet convinced that the private sector can adequately or accurately assess terrorism risk in the absence of a Federal backstop.

It has been 4 years since the September 11 attacks that prompted the passage of the Terrorism Risk Insurance Act. And while we have been fortunate here in the United States that no events have triggered the use of this Federal backstop, the bombings in London this summer, the Madrid train bombing last year, the nightclub bombing in Bali in 2002, and the alarming increase in suicide bombers in the Middle East serve as painful reminders of the reality of the ongoing war on terror, and the fact that attacks can happen anywhere at anytime.

Prior to September 11, the risk of terrorism was not a factor when insurers wrote policies. However, in the post-9/11 environment, the availability of affordable insurance for terrorism risks has become a necessity. The war on terror involves protecting our homeland and protecting our citizens. In light of the current environment, it would be both unrealistic and premature to conclude that a Federal backstop is no longer necessary. I think it was irresponsible for the administration to suggest that it is now appropriate to shift the burden of insuring against the risk of terrorist attacks solely to the private insurance market.

We accepted the recommendations of the administration by dropping several lines of insurance from the program. However, there is one very critical line that has never been included, and one that I am disappointed is not part of this compromise bill, and that is group life. As I have said on numerous occasions, it is critical that we create conditions that permit the private insurance markets to continue to offer group life insurance coverage to employees at high risk of attack.

Since 2002, I have fought to include group life insurance in the Terrorism Risk Insurance Program. I was disappointed, at that time, that the Bush administration chose to focus its efforts on insuring buildings against terrorism but was dismissive of the critical role that group life insurance plays for tens of thousands of families at the highest risk of terrorist attack.

We saw vividly, post-9/11, the suffering of so many families, and while the most immediate grieving was for the loss of human life, the harsh reality is that many families lost their livelihood as well. In a time of loss, a life insurance policy can mean the difference between having to sell the family home, pulling the kids out of college, or even, in some cases, having enough money to put food on the table.

Moreover, the lack of affordable reinsurance for group life products calls into question the administration's position that TRIA is crowding out innovation that would otherwise enable the industry to offer insurance for terrorism risk without a governmental backstop. Reinsurance has essentially evaporated for the group life sector, which Treasury specifically chose not to include in the Terrorism Risk Insurance Program, and thus was not hindered in its pursuit of market innovations. We ought to be working to create a marketplace where reinsurance can reemerge for group life products, rather than jeopardize the TRIA-facilitated appearance of reinsurance for products, like workers compensation, which are comparable to group life.

I certainly appreciate that innovations within the insurance industry may be part of the long-term solution, and we certainly must facilitate that as we go forward. The time has come for Congress to review the current regulatory landscape of the insurance industry to ensure that it does not unnecessarily restrict innovation. I believe that this legislation is consistent with that objective—extending TRIA for a period of time sufficient for Congress to begin looking at modernizing the regulatory scheme for insurance while it also reviews longer term solutions to the challenge of insuring against acts of terror.

I am pleased that this legislation requires the Presidential Working Group to do a study on the long-term viability and affordability of terrorism insurance and the affordability of inclusion of group life insurance. I look forward to reviewing the Presidential

Working Group's recommendations, and it is my hope that it recommends inclusion of group life in the program.

Additionally, I am satisfied with the "make available" provisions in this bill. At the end of the day, this program is not about the profits of the insurance industry; it is about the ability of American businesses to have access to insurance protection. That should be the very minimum required of an industry that enjoys the type of protection we have provided.

Estimating the likelihood of attacks or the extent of loss is difficult, if not impossible. Now is not the time for the administration or Congress to leave the private insurers to go it alone. I am pleased that last night the Senate passed this important legislation. Doing nothing would not have been acceptable.

Mr. NELSON of Nebraska. Mr. President, although the Senate's passage of the Terrorism Risk Insurance Extension Act of 2005 is a good start to ensuring continuity within our financial markets in the event they are impacted by another terrorist attack, I am disappointed the Act failed to include group life insurance.

Over 160 million working Americans have coverage through a group life policy. For many, this coverage is their only form of life insurance. Loss of this benefit would threaten their families' financial stability.

Group life insurance poses unique risks to the carriers that provide it. Much like workers' compensation insurance, the high level of risk concentration by employer and worksite makes group life insurance particularly vulnerable to large-scale losses from events such as terrorist attacks.

Before the September 11 tragedy, group life insurers protected against large-scale losses through the purchase of catastrophe reinsurance. Since that time, group life insurers have experienced a decreased availability of catastrophe reinsurance coverage. At the same time, the cost of this limited coverage and its related deductible have increased to the point where the coverage is cost-prohibitive. Additionally, it is not uncommon for catastrophe reinsurers to exclude terrorism on most quotes.

Opponents of group life's inclusion argue that free market participants should be able to reach a price on any commodity. But this mindset ignores the fact that group life insurers do not operate in a truly free market. Even if group life insurers wanted to exclude coverage for terrorist acts—which many, for good public policy reasons, reject as an option—they currently are prohibited from doing so.

Ordinarily, insurers would control their risk exposure through the premiums they charge. However, in the context of terrorism, this mechanism also is no longer available for group life insurers. The lack of historical data on the incidence rate of terrorism in the United States prevents insurers

from pricing for this risk. Moreover, the very nature of terrorism—a non natural event—makes it a risk for which actuaries have no basis to price.

The bill's required analysis of the long-term availability and affordability of insurance for terrorism risk, including group life coverage, simply offers the distant hope of a solution for group life insurers. Daily reminders of the continued threat of terrorism require an immediate solution.

For these reasons, I respectfully urge members of the conference committee to look beyond the buildings the act would protect and protect the people inside those buildings by including group life in the extension.

TAX RELIEF ACT OF 2005

Mr. KOHL. Mr. President, they say that timing is everything. And the timing of the Congress's actions these days is indicative of our priorities. Yesterday, the House rightly voted against the Labor, Health and Human Services and Education appropriations bill that under funded job training, education and health care. Last night, the House voted to pass a reconciliation spending package that would cut programs such as child support, food stamps, and Medicaid. Also last night, the Senate passed \$60 billion worth of tax cuts.

What does that say to hard working Americans about the priorities of this Government? I want to make it clear to my colleagues that I support many of the provisions that are included in this legislation. I support tax provisions aimed at helping Gulf States recover from Hurricanes Katrina and Rita. I support extending the tuition deduction, the research and development tax credit, and a deduction for teacher expenses, among others. And I strongly support the extension of the increased exemption amounts for the alternative minimum tax.

In fact, I would support much broader reform of the AMT. More and more middle class individuals and families will find themselves impacted by this onerous tax if Congress does not act soon to correct it. I would also support some capital gains and dividend rate reform. I want to make it clear to my constituents that I am not opposed to tax cuts—when the time is right—when we are in surplus. In 2001, I supported the tax cut legislation, based on the fact that we were running a surplus. It stands to reason, then, that during these times of record deficits, that we can ill afford the tax package the Senate approved yesterday.

I want to repeat what I just said—I am not opposed to tax cuts. That is why I supported the alternative package of extensions offered by Senator CONRAD. This amendment contained nearly identical extension provisions. The amendment even went further on the AMT than the underlying bill, ensuring that no more taxpayers pay the tax over 2005. The difference? The alternative was fully paid for, through a series of offsets.